

# EXTENDED DETERRENCE AND JAPAN: HOW MUCH IS ENOUGH?



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This paper examines Japan's deterrence strategy and the policies that Tokyo will confront in the coming years. It begins by analyzing the regional sources of Japan's security concerns, as well as Tokyo's reactions to evolving geopolitical challenges in East Asia and Tokyo's anxiety that the current deterrence architecture is insufficient for protecting Japanese interests over the mid to long term. Next, it explores Tokyo's options for strengthening deterrence in the region, including Tokyo's potential acquisition of offensive strike systems and the question of whether such systems would meet Japan's key deterrence requirements. Finally, this paper identifies Washington's policy options for influencing Japanese thinking on deterrence requirements and strengthening East Asian stability.

## ***Summary***

Japanese Prime Minister Shinzo Abe's political party, the Liberal Democratic Party (LDP), recently pushed legislation through the Japanese Diet that would allow Japan to come to the aid of an ally and permit more vigorous participation in United Nations (U.N.) peacekeeping operations. These actions undoubtedly fit Prime Minister Abe's vision of transforming the international community's view of Japan away from that of an economic giant and political dwarf<sup>i,ii</sup> toward "normalcy."<sup>iii,iv,v</sup> However, this political turn is about more than Japan's perception of its role in the world. Indeed, these actions come at a time when Japanese leaders are anxiously grappling with a shifting regional security landscape. This landscape is one in which Japan's security situation has worsened, the Cold War "security surplus" has moved to a "security deficit",<sup>vi,vii</sup> and Japan's deterrence of regional rivals seems to have faltered. Japan's efforts over the past few years to tighten its security relationship with the United States is best seen in this context—an attempt to strengthen regional deterrence and slow or reverse the perceived "security deficit." This paper seeks to understand how Japan's external threat perceptions and reactions have changed over time, whether Japan will continue with additional reforms—like developing offensive strike options—to address these insecurities, and what levers the United States has to reassure Japan and influence Japanese thinking on deterrence strategies and future force postures.

## ***What Drives Japanese Insecurity?***

Over the last five years Japan's policymakers have expressed views that the regional security environment is becoming increasingly unstable with emerging deterrence challenges that are not adequately covered by existing arrangements. Although this furor is a natural outgrowth of China's rise and North Korea's acquisition of nuclear weapons,

Japanese anxieties are compounded by Tokyo's perception of a relative decline in U.S. power in the region. In the 2011 Japanese National Defense Program Guidelines (NDPG)—a document akin to U.S. Department of Defense Quadrennial Defense Review (QDR)—the Japanese Ministry of Defense alluded to the twin trends of the United States' relative decline and the rise of China: "... we are witnessing a global shift in the balance of power with the rise of powers such as China along with the relative change of influence of the United States."<sup>viii</sup>

This anxiety is somewhat curious, however, when compared to the position Japan occupied for most of the Cold War. Throughout the Cold War period, Japan faced nuclear annihilation and an existential threat from a state that was Washington's peer competitor. The mitigating factor for Japan, and the reason why its insecurity was kept in check, was that Soviet threats were met with equivalent U.S. guarantees. A regionally superior U.S. naval force neutralized nearly all Soviet conventional threats and limited the prospects of Soviet salami-slicing behavior, as seen in Central and Eastern Europe.<sup>ix</sup> Moscow's large nuclear arsenal was faced with a similarly capable U.S. force ensuring deterrence was, if not terrifying, predictable for Tokyo.<sup>x,xi</sup> The notion of extended deterrence—codified in 1952 and again in 1960 under the Treaty of Mutual Cooperation and Security between the United States and Japan—was in many ways tailored to the Soviet threat and exquisitely managed for decades; the success was so complete and ingrained that James Schoff, in summarizing Tokyo's thinking on the United States' extended deterrence during the Cold War, put it thusly: "U.S. commitment to counter the Soviet threat was largely unquestioned in Tokyo, and the details about how deterrence worked mattered little."<sup>xii</sup>

The dissolution of the Soviet Union and the dawning of a period of relative security reinforced Tokyo's ambivalence toward the mechanics of extended deterrence. Through most of the 1990s, China's rise was still nascent and North Korea's missile and nuclear dreams were still embryonic. The 2004 NDPG summarized Japan's situation at the close of this post-Cold War era by stating that traditional threats had diminished but a new type of threat had arisen and deterrence strategies may need a second look:

*"Against a backdrop of increased interdependence and growing globalization, the international community is facing urgent new threats and diverse situations to peace and security, including the proliferation of weapons of mass destruction and ballistic missiles, as well as international terrorist activities (hereinafter 'new threats and diverse situations.' We need to bear in mind that conventional forms of deterrence may no longer work effectively ... a full-scale invasion against Japan is increasingly unlikely, Japan must now deal with 'new threats and diverse situations' in addition to regional security issues."<sup>xiii</sup>*

In today's "post-post-Cold War era,"<sup>xivxv</sup> Tokyo maintains its confidence in the credibility of U.S. security guarantees at the high end of conflict, such as a naked, aggressive, overt Chinese or North Korean attack on Japan; these types of threats harken back to the Cold War, and they share many of the characteristics of the old Soviet threats the

alliance deterred. This confidence continues to stem from the Japanese perception that regional adversaries are reluctant to engage the United States in conventional or nuclear confrontations barring the most exigent conditions; as former British Defense Minister Denis Healey put it when referencing the power of nuclear deterrence during the Cold War, “... it takes only five percent credibility of American [nuclear] retaliation to deter the Russians ...”<sup>xvi</sup> The anxiety we see now instead springs from the question of what role Washington would play in a confrontation below the conventional threshold. Sugio Takahashi of the Japanese National Institute for Defense Studies—the Ministry of Defense’s core policy research arm—drove home this point in his summary of the 2010 NDPG’s concern over subconventional or low-end conflicts “as more concerning than a high-end conventional amphibious invasion.”<sup>xvii</sup> This new Japanese worry can be read (at least partially) as a success for Washington’s extended deterrence posture, which has largely kept the threat of large-scale, high-end conflict off the table. The concern does, however, indicate a shifting security environment and a failure by the alliance to sufficiently deter this new threat at this level. Deterrence of this post-post-Cold War gap motivates much of the insecurity that this paper will address shortly.

The threat posed by low-end confrontation, also known as gray-zone situations, has vexed Tokyo’s security planners for some time. The 2013 NDPG, the first issued since Prime Minister Shinzo Abe returned to power, conceded Japan’s growing worry over gray-zone tactics:

*“... the U.S. is expected to continue to play the role in maintaining world peace and stability as it retains the largest national power”<sup>xviii</sup> ... In the meantime, gray-zone situations over territory, sovereignty and maritime economic interests tend to linger, raising concerns that they may develop into more serious situations<sup>xix</sup> ... The frequency of such situations and the duration of responses are both increasing.”<sup>xx</sup>*

More recently, the 2015 issue of the annual “Defense of Japan” white paper further detailed the growing concerns over gray-zone crises, and hinted that Japan’s Self-Defense Forces (SDF) were being increasingly stretched:

*“Amid the increasingly severe security environment surrounding Japan, the number and the duration of situations, including so called “gray-zone” situations, that is, neither pure peacetime nor contingencies over sovereignty of the territory or vested interests, which require the SDF’s commitment are both increasing.”<sup>xxi</sup>*

The recent proliferation of these types of conflict is a reaction, at least partially, to the aforementioned U.S. military dominance of the conventional and nuclear domains of conflict; Chinese use of gray-zone tactics can be seen as an extrapolation of China’s broader affinity for asymmetric approaches to the United States and its Japanese alliance partner, as well as an attempt to avoid triggering Washington’s intervention by operation below perceived U.S. redlines.

### ***Why Is Deterrence Toward Gray-Zones Perceived as Insufficient?***

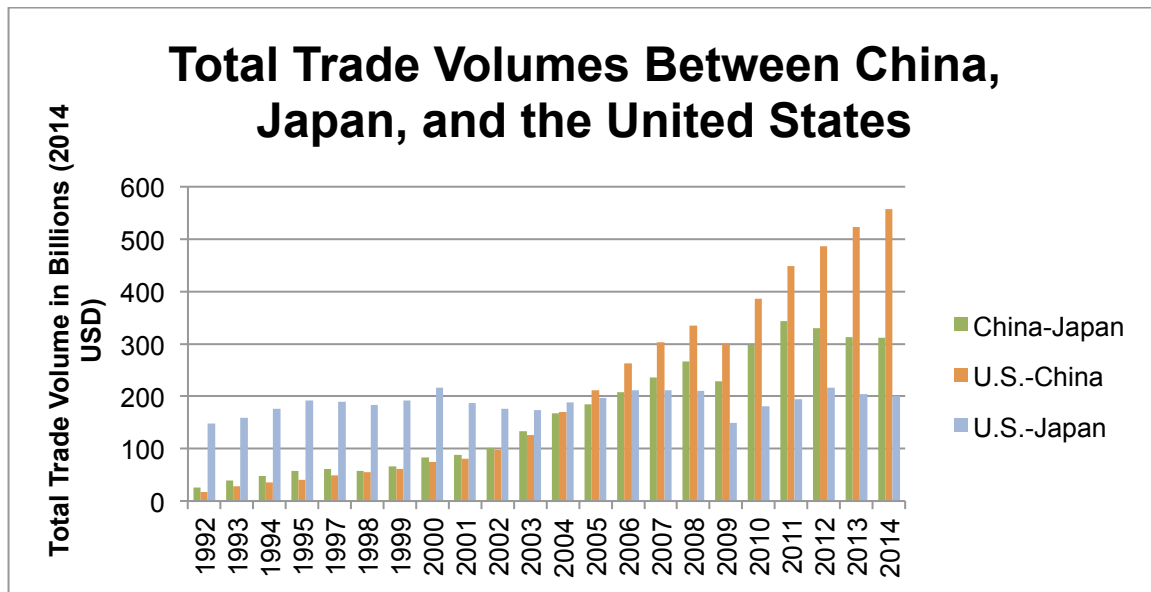
The U.S.–U.S.S.R. relationship was characterized by confrontation and conflict, usually via proxies. Tokyo perceived that any Soviet threat levied against Japan would be met with a reciprocal response, lest N.A.T.O. allies come to doubt U.S. resolve. In addition, Japan remained a secondary or tertiary concern for Moscow for the entirety of the Cold War, and the Soviet Pacific Fleet could not pose a reasonable challenge to U.S.–Japanese naval assets, further mitigating the risk of similar maritime gray-zone conflicts.<sup>1</sup> Therefore, Tokyo perceived U.S. resolve to be high both because the costs of inaction were high (Japan was vital to U.S. strategy in Asia as a military basing center and a bastion of liberal democracy) and the costs of deterrence were low (U.S. nuclear and conventional forces were already in theater).

The U.S.–China and Japan–China relationships are more complicated and are often cast as a simultaneously cooperative and competitive relationship. By their nature, gray-zone challenges by Chinese commercial or constabulary vessels are designed to fall below what Beijing considers to be the threshold of the U.S.–Japan Security Alliance, but the constancy of the challenges are intended to erode the status quo. A robust U.S. response would, *prima facie*, escalate the confrontation to a crisis, undermine Japan's reputation, and allow Beijing to blame Japan and the United States for manufacturing a crisis. However, the lack of a U.S. response to a smoldering gray-zone incident could be interpreted as a lack of U.S. commitment to the situation, inciting China to escalate the crisis, seize the initiative, occupy the disputed territory, and present the U.S.–Japan alliance with a *fait accompli*.

Further, the last two decades of globalization has led to intertwined economies, and this symbiotic relationship has complicated thinking about gray-zone conflicts on all sides because the costs of potential conflict, even at a low level, are much higher than during the Cold War. Whereas bilateral U.S.–Soviet trade was nearly nonexistent, globalization has deepened economic ties between China, Japan, and the United States, raising the very real possibility that a minor crisis could seriously disrupt international economic activity. Japan's two largest trade partners are China and the United States, respectively. China's largest trade partner is the United States, and Japan is its third largest. China and Japan rank as Washington's second and fourth largest respective partners. Trade among the three represents about five percent of all global trade, raising global economic and financial consequences should trade be disrupted. Thus we can assume that some Japanese decision makers may question U.S. assurances and extended deterrence vis-à-vis a gray-zone crisis because they assume Washington will be hesitant to upset robust trade between China and the United States.

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<sup>1</sup> Soviet bastion defense in the Sea of Okhotsk can, in some ways, be seen as the intellectual antecedent of China's anti-access/area denial (A2/AD) strategy. Whereas the Soviet doctrine involved using their air assets and limited surface fleet to secure the area northeast of Vladivostok as safe operating zone for its ballistic missile submarines, thus preserving the Soviet second strike capability, Chinese A2/AD tactics use the threat of missile strikes to limit U.S. power projection close to the Chinese coast.



**Figure 1:** The total trade volume between China and Japan from 1992 to 2014.

Strong economic ties, however, are overshadowed by polls in Japan and China that routinely show unfavorable opinions of their neighbor. Sino–Japanese relations for most of the Cold War and post-Cold War era often fell short of *bonhomie*, but the conflicts were mostly confined to the countries’ respective treatment of history. Ongoing disputes over the Senkaku islands have brought relations to a chilly state of affairs<sup>xxii</sup> and a more fraught contention over the division of tangible goods.<sup>xxiii</sup> The Senkaku islands, an archipelago west of Okinawa, have become a recurrent thorn in the relationship, and disagreements over ownership of these islands have motivated spikes in heated nationalist rhetoric and confrontation between commercial vessels and constabulary forces.

The latest guidelines for Japan–U.S. Defense Cooperation, published in April 2015, represent an attempt to address the gray-zone quandary via a division of labor: “The Self-Defense Forces will have primary responsibility for the protection of major ports and straits in Japan ... The United States Armed Forces will conduct operations to support and supplement the Self-Defense Forces’ operations.”<sup>xxiv</sup> While not unique in the history of the alliance, underlining Japan’s preeminent role in maritime security, including the Senkaku islands, increases the credibility of the U.S. security guarantee. Credibility is increased because Beijing knows that Japan will be responsible for handling the initial provocations or nascent crises. Uncertainty about the commitment of the United States in the initial stages of an East-Asian territorial dispute is now reduced and replaced by the much greater certainty of a Japanese response (especially a Japan that is confident in U.S. backing should a crisis escalate). Although some uncertainty remains about when and where the United States will intervene should a crisis escalate, this type of escalation uncertainty is more likely to add to the deterrent value (rather than invite a gray-zone or probing challenge).

Sugio Takahashi, however, urges some caution concerning the deterrent effect of the U.S.–Japan alliance. He argued in May 2015 that although the U.S.–Japan security architecture has performed well in deterring high-end conflicts first with the Soviets and subsequently with North Korea and China, it is not well suited to deter a *fait accompli*, and this sort of crisis poses a potential gap between alliance partners.<sup>xxv</sup> Takahashi is not alone among deterrence scholars in asserting that *faits accomplis* pose a daunting challenge to deterrence schemas; Michael Gerson argued in 2009 that the prevention of a *fait accompli* was the “central component of modern conventional deterrence.”<sup>xxvi</sup> China’s PLA, knowing the quandary that a *fait accompli* poses for an adversary, has geared its “Local Wars under Modern High-Technology Conditions” reforms toward delivering this challenge to its enemies via a focus on localized, short-duration, and high-intensity conflicts.<sup>xxvii</sup> Thus Japan’s insecurity regarding gray zones is rooted in their perception that China could deliver a *fait accompli*, and Washington would be unable or unwilling to assist Japan in reversing Beijing’s gain.

### ***Japan’s Reactions to its Security Environment***

Japan’s reaction to this security environment fits within the framework laid out in Victor Cha’s seminal 2000 article “Abandonment, Entrapment, and Neoclassical Realism in Asia: The United States, Japan, and Korea.”<sup>xxviii</sup> Cha hypothesized that a weaker partner in a security alliance could cope with fears of patron “abandonment,” and the subsequent insecurity it would yield, in number of different ways:

*“(1) Building up internal capabilities, (2) Seeking out new alliances or reinforcing alternate existing ones, (3) Bolstering its commitment to the alliance in order to get the ally to reciprocate, (4) Appeasing the adversary, or (5) Bluffing abandonment in order to elicit greater support from the ally.”*

While the term “abandonment” is a bit too strong when applied to the current U.S.–Japan dynamic—especially in light of continued confidence in U.S. guarantees should a high-end conflict with North Korea and China erupt—Japan is contending with a perceived security deficit at the subconventional gray-zone level. Cha’s framework provides several policy options for reframing Japan’s relationship with its stronger alliance partner, and we have already seen Tokyo’s movement toward Cha’s third policy option (strengthening ties to the United States to get Washington to reciprocate). The *quid pro quo* logic of this option has been a primary driver of Prime Minister Abe’s security policies; indeed, Abe and his LDP colleagues have publicly highlighted that the reforms fulfill longstanding U.S. requests regarding collective self defense and interoperability in certain regional contingencies. To that end, Abe almost certainly drew solace from President Obama’s April 2014 statement that “... the Senkaku Islands are administered by Japan and therefore fall within the scope of Article 5 of the U.S.–Japan Treaty of Mutual Cooperation and Security,”<sup>xxix</sup> a message seemingly tailored toward reassuring Japan and signaling to China that the United States would enter a conflict if Beijing attacked the Senkakus or if a gray-zone conflict escalated.

What is less apparent, however, is how a stronger U.S.–Japan alliance enhances deterrence at the gray-zone level. President Obama’s statement bolstered the already high credibility of U.S. defense of Japan if it came under conventional attack, but did little to address Tokyo’s underlying concerns about deterring ongoing subconventional, gray-zone challenges from China. As we discussed above, however, an overt commitment of U.S. forces to deal with gray-zone confrontations runs the risk of escalating a confrontation to a crisis, undermining Japan’s reputation, and allowing Beijing to claim the alliance had manufactured a crisis. However, the firm declaration by the United States to defend Japan in a conventional conflict does underscore a potential escalatory strategy for Japan should China continue to challenge it at a subconventional level: Tokyo can escalate these incidents to conventional crises secure in its knowledge the United States will then intervene. This Japanese escalatory option, coupled with deeper U.S.–Japanese interoperability, could give pause to officials in Beijing and influence their calculations away from continued gray-zone challenges. Measuring the impact of this increased escalation instability on Chinese decision making will be quite difficult, however.

Tokyo, of course, has other options available to it to address its concerns about U.S. extended deterrence commitments. For example, Tokyo could seek new alliances (Cha’s second option), but prospective regional partners, like South Korea or Taiwan, still maintain frosty ties with Japan and few powers outside the region have the power projection necessary to provide the deterrent abilities that Japan lacks. Appeasement (Cha’s fourth option) hardly seems like a plausible choice for a nationalist Prime Minister in a country with a strong sense of national identity and pride. Bluffing abandonment by threatening to curtail its commitment to the United States (Cha’s fifth option) is similarly implausible because Tokyo has no other likely patrons to replace the United States and Tokyo is more reliant on the United States than vice versa.

Thus, if Japan fails to elicit what it feels are sufficient and credible U.S. commitments, it may have no other choice than to choose Cha’s first option: building up its internal capabilities to enhance deterrence. But what is the prospect that Japan would take this path, and what would this path look like if Japan were to take it?

### ***Building Deterrence Capabilities***

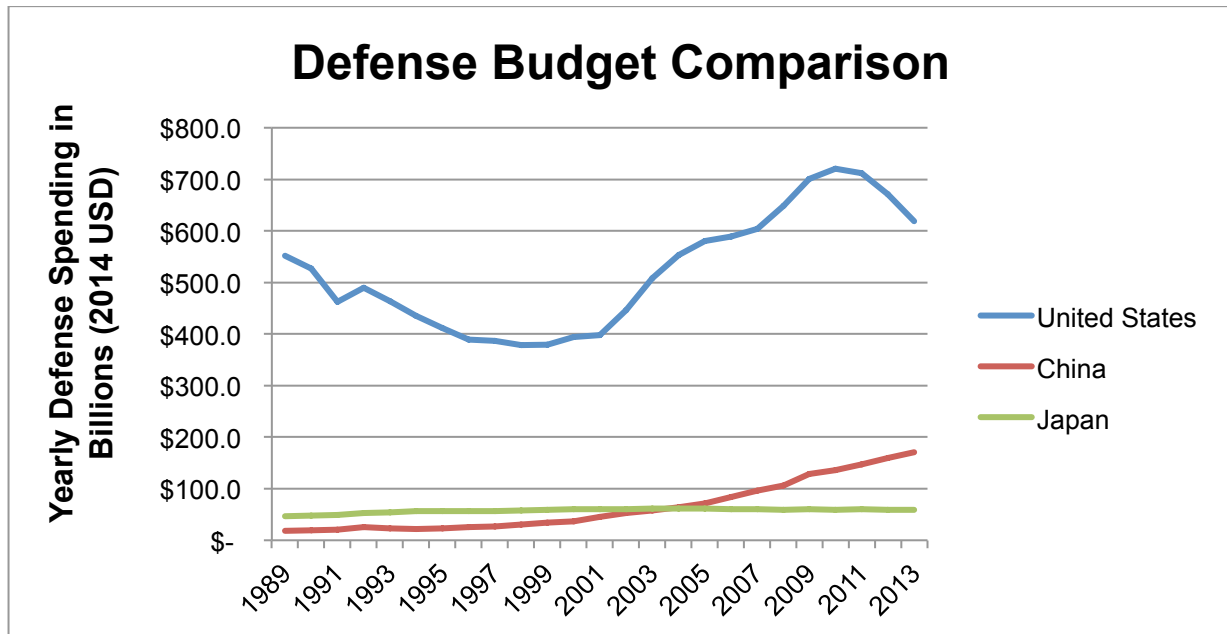
If Japan were to augment its deterrence posture by building new, indigenous capabilities consistent with Cha’s first option, it would need to choose between two basic deterrence strategies: deterrence by denial or deterrence by punishment. Deterrence by denial<sup>2xxx</sup> differs from the more widely understood deterrence by punishment<sup>3</sup> and is, as we will see, the arguably more effective deterrent strategy when applied against the problem of Chinese threats against the Senkakus. The current balance of forces in East Asia favors

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<sup>2</sup> Deterrence by denial is communication to the aggressor that the defending state has “the capability to deny the [aggressor] any gains from the move which is to be deterred.”

<sup>3</sup> Deterrence by punishment is commonly understood—by parents and children alike—as setting a red line and offering up potential consequences should the line be crossed.

the U.S.–Japan alliance, and this trend is likely to continue for at least the medium term—or at least until Chinese defense spending begins to reach parity with the U.S. – Japan alliance—making a direct, militarized, conventional Chinese confrontation over the Senkaku islands unlikely and driving Beijing toward subconventional gray-zone tactics.



**Figure 2:** Comparison of the defense budgets of the United States, China, and Japan from 1989 to 2013.

The 2010 and 2013 NDPGs cite an increased need for modernized and robust Japanese intelligence, surveillance, and reconnaissance (ISR) capabilities to detect and characterize gray-zone activities as well as divine Chinese intentions to escalate the situation or execute a *fait accompli*.<sup>xxxi</sup> Takahashi summarized the intended effect thus:

*“Through continuous steady-state intelligence, surveillance, and reconnaissance (ISR); information-gathering military exercises; and demonstration of operational effectiveness and readiness, dynamic deterrence is intended to sensitize a challenger to the notion that they are always being watched, and that there are no physical gaps of defense posture, or ‘windows of opportunity,’ for fait accompli or probing.”<sup>xxxi</sup>*

In a move consistent with the NDPGs strategy, Washington and Tokyo announced in November 2015 a foreign military sale of \$1.2 billion that included three long-range Global Hawk surveillance UAVs.<sup>xxxi</sup> While the persistent, robust ISR presence offered by Global Hawk UAVs assists military operations by providing additional warning (and thus response) time, the ISR posture is also a critical component of a successful deterrence by denial posture. The NDPG’s call for ISR and endorsement of the dynamic deterrence concept was driven by concerns over gray-zone conflicts. Tokyo concedes that persistent ISR alone is unlikely to deter Beijing. Included in the 2013 NDPG is a goal of a “response posture including advance deployment of units in response to the security environment and rapid deployment of adequate units,”<sup>xxxi</sup> a strategy totally consistent

with the pursuit of a deterrence by denial strategy. Contemporaneously with the 2013 planning document, Japan's Ministry of Defense began stationing several hundred SDF troops with surface-to-air missiles on the remote Okinawan island of Miyakojima,<sup>xxxv</sup> bolstering the Japanese Coast Guard,<sup>xxxvi</sup> and forward deploying around 100 SDF personnel and a radar installation onto Yonaguni—only 100 miles from the Senkakus.<sup>xxxvii</sup> Other scholars, including Andrew Krepinevich,<sup>xxxviii</sup> have advocated for a more resilient denial strategy via the introduction of a Japanese Anti-Access/Area Denial (A2/AD) strategy involving naval mine warfare units, shore-based anti-ship cruise missile battalions, acoustic sensors along the island SOSUS chain (running from Greenland through Iceland to the United Kingdom), forward deployed munitions dumps, and a Japanese amphibious force capable of quickly deploying and repulse seaborne assaults. Other analysts have pointed to Japan's growing submarine fleet<sup>xxxix</sup> as the key to any deterrence by denial strategy, via the submarine's unique interdiction capabilities.<sup>xl,xli</sup> These Japanese submarines could fulfill both parts of the A2/AD mission and growing the fleet past the already expanded target of 22 submarines would bolster the deterrent capability.



**Figure 3:** Map of the East China Sea, depicting the location of the Senkaku Islands.

Japan's other deterrence strategy, deterrence by punishment, involves threatening a potential adversary with punishment outside the direct area of conflict. Tokyo currently lacks many of the weapons and delivery systems associated with this strategy—including ballistic or long-range; ground attack cruise missiles and power projection platforms, like bombers; aircraft carriers or ballistic missile submarines—because they are inherently offensive systems and run counter to traditional interpretations of Article 9 of the Japanese constitution, which bans capabilities that are inconsistent with self defense. Japanese politicians, however, have grappled with the question of whether to acquire an indigenous strike capability or continue to rely on U.S. capabilities to deter adversaries. During the debate leading to the formulation of the 2013 NDPG, media reports indicated that the Abe-led government was considering the acquisition of cruise missiles for the purpose of striking North Korean military bases.<sup>xliixliii</sup> The eventual 2013 NDPG did not explicitly call for a strike capability, though the language was a bit ambiguous:

*“To counter North Korea’s improved ballistic missile capability, Japan will pursue comprehensive improvement of its response capability against the threat of ballistic missiles ... Based on the appropriate role and mission sharing between Japan and the US, in order to strengthen the deterrent of the Japan-U.S. Alliance as a whole through enhancement of Japan’s own deterrent and response capability, Japan will study a potential form of response capability to address the means of ballistic missiles launches and related facilities, and take means as necessary.”<sup>xliiv</sup>*

This debate echoed an earlier debate on preemption in 2006. Abe, then Chief Cabinet Minister and Prime Minister-in-waiting, called for a deeper discussion on whether strikes on North Korean missile bases would violate the constitutional strictures on self defense.<sup>xliv</sup> A similar debate in 1998—following a North Korean ballistic missile test that overflowed Japan—ran parallel to the 2006 and 2013 debates,<sup>4</sup> yet each time Japan decided to forego offensive strike capabilities. It is also notable that the debate about acquiring offensive strike capabilities has almost always been in the context of striking North Korea, not China. The evolving threat from North Korea continues to motivate investment in ballistic missile defense (BMD) but has not generated anxious new thinking about the fundamentals of the Japan’s deterrence posture vis-à-vis Chinese gray-zone threats.

Acquisition of an indigenous Japanese offensive strike capability has the potential to upset relations with Japan’s neighbors, even if Tokyo publicly acknowledges its explicit intention to target solely North Korea. Apart from the obvious North Korean criticism, China (and even South Korea) could express misgivings of a re-armed Japan, especially if the rearmament comes in the form of ballistic missiles. This might develop into a classic security dilemma by exacerbating relations and heighten regional fears, undermining the enhanced deterrence that Japan originally sought.

We can surmise that the current dearth of discussion in Tokyo about ballistic missiles, bombers, and other offensive strike options reflects Japanese acknowledgement that deterrence by punishment and offensive strike options risk further destabilization of Northeast Asian security relations and does little to further deter Chinese gray-zone activity. Further Japanese leaders probably perceive that North Korea is sufficiently deterred by the combination of a strong guarantee of U.S. response to high-end threats and the BMD program; stacking an indigenous Japanese strike capability on top of BMD and U.S. retaliatory strike would not improve deterrence and may, paradoxically, weaken the stability of the Japan–North Korea relationship.

### ***Alternative Pathways Forward***

Deterrence by punishment as an organizing principle for Japanese strategy moving forward seems to offer Japan few advantages at this time, especially because the capability for devastating punishment—as well as preemption—is already provided by

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<sup>4</sup> For an expansive treatment of Japanese domestic debates pre-2006, see Daniel Pinkston and Kazutaka Sakurai’s article “Japan Debates Preparing for Future Preemptive Strikes against North Korea” in the Winter 2006 edition of *The Korean Journal of Defense Analysis*.

U.S. forces. Although there may be calls for a tailored punishment capability that can be delivered from regionally based assets, the ability to punish China in a proportional manner over a gray-zone transgression is likely to be elusive because of the inherent asymmetry in suitable targets and the escalatory nature of striking Chinese targets outside the Senkaku domain.

More robust pursuit of denial capabilities—passive options like robust ISR or more active defense capabilities like longer range, ground-launched anti-ship cruise missiles (ASCMs); sea mines; additional attack submarines; or bolstered BMD capabilities—seem the preferable path forward for Tokyo’s policymakers at this time, especially if they predict the threat environment will continue to worsen. U.S. policymakers have several options to enhance Japan’s indigenous deterrent, increase Tokyo’s confidence in U.S. assurances, shift Tokyo away from offensive strike options, and bolster the efficiency of U.S. extended deterrence in the pursuit of a more secure Japan.

### *Japan Takes the Lead*

The first option is to allow the Japanese Coast Guard and other security organizations to deal with subconventional challenges. A U.S. policy of non-engagement until a crisis escalates to conventional conflict provides space and incentive for continued Japanese modernization, as well as expansion and maturation of its Coast Guard and SDF capabilities to better cope with continued gray-zone challenges from China.

Furthermore, Japan’s stake in a Senkaku crisis almost certainly is greater than Washington’s, so placing Tokyo at the fore signals to Beijing that it will be contending with an adversary as invested in maintaining the status quo as China is in overturning it. Beijing may perceive that U.S. forces are less invested at the gray-zone level, and this imbalance in U.S. and Chinese resolve could encourage China to push hard against U.S. forces, calculating that Washington is not as invested in the crisis and is unwilling to escalate.

Even if U.S. forces are not actively engaged in gray-zone conflicts, the United States has several options to support Japan. The most obvious is the provision of equipment and training to enhance Japan’s ability to confront crises. The Japanese conception of dynamic deterrence is contingent on enhanced ISR and domain awareness. U.S. equipment, vehicles, and space assets could further strengthen these Japanese capabilities. The United States could also assist Japan through the provision of certain defensive weapons systems, such as sea mines or ground-launched anti-ship cruise missiles.<sup>5</sup> These moves both support Japan’s ability to dynamically deter China at the gray-zone level, but also bolster Japan’s ability to deter or contend with China at the conventional level, providing additional disincentives for Chinese escalation. Allowing Japan to take the lead does have some risks, however, including the potential that

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<sup>5</sup> Although the Tomahawk anti-ship variant was withdrawn from service in the 1990s, January 2015 U.S. Navy tests indicate the Tomahawk land-attack variant can be configured to strike moving targets at sea. Japan currently relies on the shorter range Mitsubishi family of cruise missiles and the U.S. Harpoon missile.

Japan may escalate a gray-zone crisis to pull Washington into the conflict. This becomes more pressing if Japan perceives that its ability to persevere at the subconventional level is waning.

### *Stronger U.S. Leadership*

A stronger U.S. presence around the Senkaku Islands has several advantages. Forward-deployed forces are often lauded as one of the more effective deterrents in security studies; these forces bolster deterrence by denial strategies because, should deterrence fail, they are readily available for conventional military operations to repulse and blunt aggression. Furthermore, U.S. forces on the frontlines all but ensure that Washington will be engaged in any potential conflict, thus reassuring and ameliorating Tokyo's fears of abandonment.

There are several risks for Washington to consider attendant with this option. Forward-deployed forces are more susceptible to enemy attack, especially an enemy that has devoted resources to an A2/AD strategy. U.S. vessels operating around the Senkakus are well within China's ASCM and ASBM range and are at greater risk from China's submarine fleet as well. In addition, U.S. forces in the region present Japan with additional disincentives for military modernization and reform and provide opportunity for alliance free riding.

	<b>Low Assurance</b>	<b>High Assurance</b>
<b>Low Deterrence</b>	<ul style="list-style-type: none"> <li>• Conventional Military Sales (AAA, MANPADS)</li> <li>• B-2/B-52 Deployments to Guam</li> <li>• Conventional Military Sales (attack helicopters, armor)</li> <li>• Intelligence Sharing</li> </ul>	<ul style="list-style-type: none"> <li>• SOSUS/GIUK-like Sonar Array</li> <li>• NATO-like Joint Nuclear Planning</li> <li>• More CVN Presence in East Asia</li> <li>• More BMD Cooperation</li> </ul>
<b>High Deterrence</b>	<ul style="list-style-type: none"> <li>• Unilateral US Nuclear Exercises</li> <li>• SSBN patrols in East Asia</li> <li>• SSN patrols in East Asia</li> <li>• Conventional Military Sales (ASCM, JDAM, F-35)</li> <li>• More ASW Cooperation</li> <li>• More A2/AD Cooperation</li> <li>• More support to Japanese Coast Guard</li> </ul>	<ul style="list-style-type: none"> <li>• More US troops in Okinawa</li> </ul>

**Figure 4:** A table demonstrating deterrence and assurance options.

### *The Limits of Deterrence*

Regardless of the reassurance, commitment, capabilities, or credibility of a Japanese deterrent or U.S. extended deterrence, we must accept that China might still choose to

challenge the status quo. Richard Ned Lebow's 1981 work showed that leaders can begin to block out information about a defender's capabilities and resolve—a combination of confirmation bias and the “ostrich effect”—when there is an “expectation by policymakers of a dramatic impending shift in the balance of power in an adversary's favor.”<sup>xlvi</sup> Lebow also argues that domestic political instability, either in the manifestation of vulnerability of a leader<sup>xlvii</sup> or an “intraelite competition for power”<sup>xlviii</sup>, “could cause leaders to engage in the same sort of cognitive bias and self-deception.

These findings should not be surprising. Economists Daniel Kahnemen and Amos Tversky advanced a behavioral economic theory—commonly referred to as “loss aversion”<sup>xlix</sup>—which states that individuals are more sensitive to potential loss than they are to prospective gain.<sup>l</sup> Applied to the realm of political science, it would posit that a policymaker would accept greater risk to shore up the status quo than they would in changing the status quo. Combining this finding with Lebow's work on deterrence failures we can see that domestic unrest coupled with increasing nationalism in China could induce leaders to threaten the international status quo, via threats or actions against Japan or U.S. interests in Northeast Asia, in an attempt to maintain the more valued domestic status quo. The Chinese challenger would not be responding to perceived weakness in the U.S.—Japanese deterrent, rather they are more accepting of risk (or blinding themselves to it) because they are defending their own domestic political position and the domestic status quo.

We must therefore be vigilant toward not only Japan's feelings of insecurity but also potential adversaries' perceptions of the credibility and strength of U.S.–Japan alliance's deterrence posture and the domestic political environment through which these perceptions are filtered. Finally, U.S. policymakers should also closely watch Japanese policymaking as well. A Japanese decision to pursue an indigenously supplied deterrence by punishment strategy, regardless of the aforementioned downsides and consequences, would be a telling sign of a loss in confidence in U.S. strike or punishment contingencies and an important warning that additional U.S. assurances are necessary.

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